Street Journal on the technical problems created by interest and dividend withholding. It is clear from this article that implementing withholding will be very expensive.

It should not be surprising to Members that last week the Treasury acted to exempt itself from the burden of withholding on the bulk of its securities for an additional 6 months. Even though the Treasury exempted itself for 6 months businesses will have to start withholding on dividends on July 1, and banks will have to start withholding on certificates of deposit on July 1. Banks will also have to have computer programs in place July 1, in order to do the calculations that will be required to withhold on savings accounts and other types of accounts that will still be required at the end of the year.

The article follows:

[From the Wall Street Journal, Mar. 9, 1983]

BANKS GRAPPLE WITH SOFTWARE IN WITHHOLDING

(By Virginia Inman)

When the government decided to withhold tax money from interest income, it created a computer nightmare for banks.

Beginning July 1, banks must keep 10% of the interest they pay customers and send the money to the Internal Revenue Service. For people in bank computer departments and in software and data-processing companies serving financial institutions, the deadline is uncomfortably close.

"We're already working day and night against that July 1 deadline," says Chris Jensen, president of Jack Henry & Associates, a Monett, Mo., software company with 180 banks as customers. Taking advantage of the low demand for computer time at night, the company's development director has been working a 12-hour shift, from 1 p.m. to 1 a.m., to get the system ready.

The IRS issued preliminary withholding regulations in September, but a spokesman says final rules won't be ready for a couple of weeks. Banks still have unanswered questions, especially about how to handle certain kinds of trusts. Regulations have already changed somewhat, and banks fear further alterations.

SOME HAVE MOVED SLOWLY

Even without changes, the job requires computer departments to do in nine months what some say ideally should take two years. Some banks have moved slowly, hoping Congress would repeal the act, which became law last August. The law affects all interest-bearing instruments—savings and NOW accounts, certificates of deposit, and bonds. Dividends also are liable to withholding. Usually banks use different software packages, often written at different times by different people, to handle different instruments. To comply with the new law, computer programmers must modify numerous software systems.

"It's just one huge, huge job, and it's going to require all my resources from now to June," says John Brewington, corporate executive officer for operations at Virginia National Bankshares Inc., Norfolk. The project uses the equivalent of 15 to 20 full-time employees, but all 200 programmers and systems analysts have contributed at least some time. Mr. Brewington estimates that altering the bank's software will cost about $2 million, "not a little bit of change for this institution," which has assets of $3.9 billion.

POSTPONING OTHER PROJECTS

Putting time and money into designing withholding systems means postponing work on other projects. Max Hopper, executive vice president for retail information and processing services at Bank of America, says delays in product development will cost the bank at least $8 million in lost profit, $3 million more than the bank will spend to change its software system.

John Williams, chairman of Computer Services Inc., a Paducah, Ky., bank-serving company, says designing withholding software has delayed the release of a new individual retirement account processing system and microcomputer applications, as well as improved electronic funds transfer and automatic teller-machine offerings. Though he admits companies like his will profit from the law, Mr. Williams says, "there are just far more valuable things to be done."

Software suppliers usually have maintenance agreements that require them to keep customers' systems up-to-date as regulations change.

Systematics Inc., a Little Rock, Ark., software company, must change six major software systems, excluding those for trusts, and install the changes in 41 data systems. Eight full-time programmers have been working for three or four months on the project, which will cost the company "well over $1 million," says Walter M. Smiley, chief executive. About two weeks ago, when several governors suggested withholding by states, Systematics programmers redesigned their work to accommodate state withholding.

SEEKING EXTENSIONS

Some people are calmer than others. Fran Sperling, assistant vice president in product management at Security Pacific National Bank in Los Angeles, says the bank's withholding system for deposit instruments is 95% complete. Advised that chances of repeal were low, the bank started planning software changes in late September. "We're feeling pretty comfortable where we stand right now," says Mr. Sperling.

The bank's trust department isn't quite as happy. "We're holding off on going to customers as long as we think we can, because until we see the final regs, we aren't exactly sure what to tell them," says David L. Blanchfield, senior vice president for the financial management group. If final trust regulations differ much from proposed rules, creating software could become a problem.

William E. Campbell, head of software development for Chemical Bank, says he doesn't think all the bank's software, particularly for its securities systems and corporate trusts, will be ready by July 1. Like other banks and software companies, Chemical will have to ask for an extension in some areas. How receptive to such requests the government will be is unclear.●

WHAT'S NEXT? THE KITCHEN SINK?

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1983

● Mr. GAYDOS. Mr. Speaker, I used to think America was importing everything from abroad except the kitchen sink. Alas, I find we may soon be doing that too—if we are not already.

According to an article I read in a recent issue of the Sunday-Review, published in Greensburg, Pa., Americans can expect a wave of imported pots, pans, tableware, and small electric appliances in the near future.

The catalyst for this new surge, the article indicates, was a display held by 47 Italian housewares manufactures at the Italian Trade Center in New York. More than 10,000 American retailers viewed the products, many of which had never been seen in the United States before.

Why a show in New York when similar fairs are held regularly in Milan and heavily attended by American shoppers? Dr. Giorgio Corrias, the Italian trade commissioner in New York, explained why in the news article.

Dr. Corrias is reported as saying the American market has become very important to Italian manufacturers. In 1981, the article states, one-fifth of all imported coffeemakers, electric food processors, slicers, choppers, and grinders came from Italy. The figure was 31 percent for similar nonelectric food preparation utensils, according to the report.

Poor economic conditions in Western Europe were said to have forced manufacturers there to look elsewhere for a market where they could sell their products and keep their employees and plants in operation.

"We looked at your market figures and that persuaded us to come to the United States," the article quotes Giovanni Colombo. Mr. Colombo is identified as being with a firm that makes pots, pans, and pressure cookers and was showing in New York for the first time.

Mr. Speaker, if we already are importing food processors, pasta makers, woks, electric rice cookers, coffeemakers, and other kitchen utensils and tools, can sinks be far behind?●

THE COMING CRISIS IN FEDERAL RETIREMENT

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1983

● Mr. GINGRICH. Mr. Speaker, I recommend these two documents to all my colleagues who are concerned about the future of the civil service retirement system.

[From OPM News, Feb. 22, 1983]

REFORMS SEEK SELF-SUPPORTING, COST-CONTROLLED PENSIONS, SOCIAL SECURITY TO COVER NEW FEDERAL EMPLOYEES

MIAMI, FLA.—Reforms aimed at controlling escalating federal pension system costs, restoring the system's financial health and original purpose, and making the system fairer to the taxpaying public were discussed here today by Donald J. Devine, Director of the U.S. Office of Personnel Management (OPM).

"Few Americans realize that the true debt of the Civil Service Retirement System (CSRS) now totals one half trillion dollars ($500 billion). On a per person basis, the un-

Chairwoman, Civil Service Subcommittee, Committee on Post Office and Civil Service.

JAMES H. SCHEUER,
Chairman, Subcommittee on Natural Resources, Agriculture Research & Environment, Committee on Science and Technology.

Enclosures: As stated.

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, D.C., April 20, 1982.

MEMORANDUM

Subject: Briefing Paper—James W. Sanderson.
To: Anne M. Gorsuch, Administrator.
From: Matthew N. Novick.

Enclosed you will find an advance copy of our Investigative Report concerning allegations of conflict of interest involving James W. Sanderson.

It should be noted that, as required, this report was formally submitted to the Justice Department on April 14, 1982 for a prosecutive opinion. Bob Andary, attorney, Public Integrity Section, (Telephone 724-7061) is handling the case and promised to have an opinion by May 7, 1982. This report should not be considered complete until we have Mr. Andary's opinion.

As you are aware, this investigation was based upon a series of six letters received from Patricia Schroeder, Congresswoman. As this investigation was well under way before all the letters were received, the report only covers the allegations contained in the first four letters.

In her last two letters, Congresswoman Schroeder raises an issue unrelated to the thrust of our present investigation. This issue related to a court case known as *Denver* v. *Andrus* in which EPA is responsible for insuring that the Denver Water Board complies with the provisions of the settlement. It is alleged that Sanderson, acting as a private attorney, representing the Denver Water Department, attended a meeting with the Corps of Engineers for the purpose of discussing provisions of the settlement. The question here seems to be "was this a matter that was pending before EPA or was EPA merely a party to the settlement?" These allegations were transmitted by the Congresswoman to the Justice Department and are presently being evaluated by Mr. Andary and the FBI for investigation. We will keep you apprised of the outcome.

Because this report was intended for presentation to the Justice Department it contains no conclusions or opinions; nor does it directly address itself to the question of appearance of conflict of interest although the evidence gathered could be used to make that determination. Executive Order No. 11222 and 40 CFR 3 states that a special government employee "must refrain from any use of his public office which is motivated by, or gives the appearance of being motivated by the desire for private gain." While it appears that Mr. Sanderson took pains to "wall himself off" from his law clients while acting as an EPA employee, it was not always evident to others that he was not commingling his private business with his public employment. Because of his caution in not violating the letter of the law, I feel that as far as the issues addressed in this report are concerned, there has been no violation of Federal criminal statutes (USC Title 18) as alleged. I believe the Justice Department will decline prosecution.

In addition, there are numerous areas of interest in the evidence gathered that could prove troublesome or embarrassing to the Agency should someone choose to make them an issue. The following areas are identified for your convenience:

1. Sanderson's attorney, Paul Cooper, acknowledges that it is possible that Sanderson used his EPA staff to schedule meetings with clients and may have used a government car for personal business. However, he asserts that this is a common practice that goes with Sanderson's rank.

2. The investigation shows that in Sanderson's case timekeeping procedures were virtually nonexistent. He did not provide anyone at EPA with an accurate report of his time. His time cards were automatically submitted. On five occasions he was paid for days he did not work.

3. Personnel procedures were not followed. At the conclusion of his first period of employment on July 25, 1981, Sanderson's termination was not processed. Later, on October 4, 1981, when he returned to EPA his termination papers for the first period were processed.

4. When Sanderson returned to EPA his SF-61, appointment affidavit was dated October 13, 1981, and given to Sanderson. He was not sworn in as required, nor did he sign the affidavit on the date indicated.

5. There exists an unresolvable conflict in testimony between Steven Durham on one hand, and David Standley, James Thompson, and Gene Lucero on the other. All three men said Durham told them that his decision not to approve the Colorado water standards and stream classifications was out of his hands as he was following instructions from Headquarters. Durham denies having said this.

6. Thompson said Durham's change of mind regarding approval of the Colorado water standards coincided with a telephone call Durham received from Sanderson. Both Durham and Sanderson denied the allegation that Sanderson directed Durham to withhold approval of the standards.

7. Durham's change in position regarding approval of the Colorado water standards coincides with a conversation Thompson had with William Pederson, attorney, EPA Office of General Counsel. Pederson told Thompson that he received a call from Sanderson as a private attorney inquiring about the options a Regional Administrator would have in regard to the Colorado water quality standards. The options that Pederson gave Sanderson were the same options that Durham said he had after the alleged call from Sanderson.

8. In Pederson's testimony he relates how he and Perry and Thompson all agreed that they had no concern about a possible conflict of interest on the part of Sanderson because the State had withdrawn its submission of the standards. This was a faulty premise as the State had not withdrawn its submission.

9. Sanderson acted as a conduit for Colorado State Senate President, Fred Anderson, to obtain legal advice from EPA's Office of General Counsel on proposed law S.B. 10. Frank Traylor, Director of the Colorado Department of Public Health, testified that Sanderson saw him in May as a private attorney representing Coors and tried to influence him regarding S.B. 10.

10. Finally, the investigation shows that although it is legally permissable, Sanderson frequently did work for clients on days he was employed at EPA. He claimed that on these days he worked 10 to 14 hours. He also claimed that he worked over 24 days of two hours or more at EPA without compensation. This claim could be viewed as an attempt to avoid the additional legal restrictions imposed after 60 days' employment. After 60 days' employment, an employee has a conflict of interest if he represents a client who had a matter pending before EPA. If he worked less than 60 days he must have been involved personally and substantially in the matter as an EPA employee in order to be in violation. Also, after 60 days a financial disclosure statement is required.

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, D.C., April 20, 1982.

Mr. FRED F. FIELDING,
Counsel to the President,
The White House, Washington, D.C.

DEAR MR. FIELDING: Enclosed you will find an advance copy of our Investigative Report concerning allegations of conflict of interest involving James W. Sanderson.

It should be noted that, as required, this report was formally submitted to the Justice Department on April 14, 1982 for a prosecutive opinion. Bob Andary, attorney, Public Integrity Section (Telephone 724-7061), is handling the case and promised to have an opinion by May 7, 1982. This report should not be considered complete until we have Mr. Andary's opinion.

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Sincerely yours,

MATTHEW N. NOVICK.o

WITHHOLDING: "COMPUTER NIGHTMARE"

HON. NORMAN E. D'AMOURS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1983

o Mr. D'AMOURS. Mr. Speaker, I would like to share with my colleagues in excellent article from today's Wall

funded liability of CSRS is much greater than that of the Social Security system. While Social Security outlays grew 1,209 percent between 1960 and 1981, CSRS outlays grew 1,891 percent. More critically, while Federal employee contributions have increased 427 percent, government contributions have grown 2,351 percent. Clearly, CSRS needs reform even more than does the Social Security system," said Devine.

"The $20.8 billion annual contribution by the Federal Government (which does not include $9 billion in interest paid on government securities) makes CSRS the fourth largest Federal entitlement program. Most federal employees believe that their retirement system is funded entirely by the seven percent salary contributions they make and the matching amount contributed by their employing agencies. But it's just not true.

"In actual fact, OPM, through payments drawn directly from the U.S. Treasury, adds another 26 percent of payroll just to fund current benefit payments and meet legal requirements. Even with this heavy commitment of general revenue, the unfunded liability of the system is huge and growing. During 1980 and 1981 alone, the unfunded liability of CSRS grew by nearly 24 per cent. There is growing concern that American taxpayers will be unwilling to continue supporting such a large level of expenditure through a system that desperately needs these reforms," Devine continued.

Noting that CSRS benefits are quite generous in comparison to private sector pension practices, Devine pointed out that "federal employees can retire with full benefits at age 55 with 30 years of service, whereas most private sector employees can not do so until age 65. In fact, half of all federal employees retire before age 60, compared with only 7 percent who do so in the private sector.

"While federal employees receive full benefits (56 percent of their pretax salary) when they retire at age 55, with 30 years of service, private sector employees receive the equivalent of a 75 percent income reduction at age 55. Put another way, a federal employee will receive about double the amount in total pensions paid over a lifetime in comparison with a private sector individual who retired at age 55."

Unlike most private sector pension plans, CSRS benefits are fully indexed to the Consumer Price Index (CPI). Most private sector retirees receive indexed Social Security benefits, but their private sector add-on pensions rarely are indexed. "Only 42 percent of all private sector retirees have an add-on pension plan in addition to their Social Security benefits, only three percent have guaranteed indexing built into their private pensions and benefits for the remainder are increased, on the average, at rates of three percent per year of less," Devine said.

"The generous cost of living raises which result have created a situation in which a federal employee who retired in 1972 at the same time as a typical private sector friend, and received the same initial retirement pay, is today receiving at least 25 percent more in monthly benefits than his friend," Devine continued.

Typical private sector employers pay a 5.4 percent retirement contribution for Social Security, as well as an additional 11 percent of salary for add-on staff plans for those companies which provide such plans. The Federal Government pays 7 percent from agency payrolls and the additional 26 percent through the U.S. Treasury. The total 33 percent government contribution represents nearly twice the typical private sector payment.

"Even if one adds in the long term (40 years) employer's share of the Social Security unfunded liability for the private sector, the employer share still represents only 31 percent of payroll. Allocating the equivalent unfunded CSRS liability over 40 years would require the Federal Government to pay an incredible 85 percent of payroll in employer retirement costs, which is far, far more than any private sector employer would pay," Devine said.

"At one time, more generous retirement benefits for Federal employees could be justified on the basis that federal employees were underpaid compared to the private sector. However, several public and private studies now indicate strongly that federal employees no longer trail the private sector in pay. We are very concerned that the more than two-thirds of Americans surveyed in polls who believe that federal employees are over-paid in salary and benefits, like retirement, will turn against the system unless reforms are made. No retirement system can survive in the long run in the face of such substantial public disenchantment. These reforms are designed to head off that kind of rebellion among the taxpayers," Devine continued.

The retirement system reforms described today were developed at OPM, and were included in the President's Fiscal 1984 Federal budget. One proposal would raise the age of retirement with full benefits to 65 with 30 years of service. Retirement at age 55 would remain an option for federal employees but those choosing to do so would be charged an actuarial reduction for early retirement. Due to the gradual phase-in of the proposed reforms, employees eligible for retirement at enactment would not be affected by the changes.

Adjustments for those below age 55 are also phased-in to account for past contributions to the retirement system. The actuarial reduction for early retirement for each year below age 55 with 30 years of service would be one-half of one percent per year. For an individual who is 54 at the time of enactment, for example, there would be a 5 percent reduction for retirement at age 55. Once the proposed reforms are fully implemented, persons retiring at age 55 would receive 50 percent of full retirement income. A person retiring at age 60 would receive 75 percent of full retirement income.

Two important benefits are expected to result from the proposed reforms. Federal employees would be encouraged to work longer, thus providing the public with the added benefit of accumulated experience in the civil service, and the CSRS would receive additional revenue and incur reduced outlays.

Among other proposed changes are provisions designed to insure that, in future years, CSRS will be fully supported by equal contributions from employees and the Federal Government. Employee contributions are presently seven percent of payroll and would rise to nine percent in Fiscal Year 1984 and 11 percent in Fiscal Year 1985. As a result of this change, true actuarial value of retirement benefits would be set at a level of 22 percent of payroll, fully supported by employee and agency contributions. Benefits paid by CSRS would remain competitive with private sector pension plans.

Other proposed changes freeze the cost of living allowance for retirees in Fiscal Year 1984 and return CSRS benefit calculations to an average of the "high five" years of an employee's earnings history, rather than the present high three years. This change would be implemented in there years. All off-budget federal agencies would also be required to meet the full costs of funding the system.

A separate staff plan is being developed by OPM for new federal employees who would be covered under the Social Security system, as an add-on benefit system. Putting new Federal workers under Social Security was proposed by the President's Commission on Social Security, and has been endorsed by the Administration. The combined cost of the new Social Security-plus-staff plan would equal that of the modified CSRS retirement plan, and benefits would be comparable.

"The net effect of these reform proposals," Devine concluded, "will be to put the Civil Service Retirement System on a sound financial foundation, ensuring that it will continue to provide benefits to retired federal employees and their dependants. These reforms are in the interest of the federal employee who depends upon CSRS and the taxpayers who must pay for the system and its benefits."

[From the Washington Post, Feb. 4, 1983]

That Propaganda About Federal Pensions

(By Sylvester J. Schieber)

Several of the organizations that represent federal civilian and postal workers have begun a full-scale attack on the proposal to cover new federal workers under Social Security. In each instance, the presentation distorts the actual facts pertinent to the consideration of this proposal made by the National Commission on Social Security Reform.

The attack is being staged through a series of newspaper and radio advertisements. In addition, a set of statistical analyses that purport to show the cost of the proposal are being distributed around Capital Hill. Finally, op-ed pieces by union leaders have appeared in the newspapers (for example, Kenneth Blaylock's piece in The Post on Jan. 27). These presentations make three basic points.

First, without new contributions the Civil Service Retirement System (CSRS) would go bankrupt, and taxpayers would have to shoulder the burden. The implication is that employee contributions ensure the solvency of the CSRS—dry up the contributions and benefits cannot be paid.

The fact is that if employee contributions were the only source of income to CSRS the fund would be depleted by 1987 or 1988 at the latest. Even if the system operated in the fashion that many federal workers believe (i.e., employee contributions plus a matching agency contribution plus trust fund interest) the fund would be depleted sometime between 1993 and 1995. The fact of the matter is that the current CSRS is primarily dependent on taxpayer support on whatever basis the cost of the system is considered.

There are those who argue that taxpayer support is now required because of past imprudence: massive liabilities (i.e., benefit promises) were accumulated but never funded. The National Federation of Federal Employees argues that "the unfunded deficit originated because the federal government failed to pay its share into the fund from 1920 to 1956." This perception ignores the recent unprecedented growth of these unfunded obligations.

Of the roughly $500 billion in unfunded benefit promises on the CSRS books at the end of fiscal year 1981, nearly one-quarter (23.8 percent) arose during 1980 and 1981. Not only is the current CSRS largely dependent on taxpayer support to meet current benefit payments; it continues to accumulate added liabilites for future generations of taxpayers as well.

The second point opponents of expanded Social Security coverage argue is that covering new federal workers will mean higher future budget costs for federal retirement. The annual budget cost of federal retirement equals the total benefits paid minus employee contributions. The Senate Governmental Affairs Committee recently released an analysis that shows that covering new federal workers under Social Security and providing them with supplemental pension protection could actually reduce the budgetary burden of federal retirement.

The savings of such a program depend on the level of benefits provided by the combined elements of the system and the level of total contributions required of those who would participate in it. It is unlikely that the relative level of retirement benefits going to future federal workers will be any higher than now. Further, it can be easily demonstrated that the future net contributions of federal workers to Social Security would be roughly equivalent to their current contributions to CSRS.

The third point opponents of Social Security coverage of federal workers argue is that such a policy would ultimately raise Social Security costs. There has never been a set of cost estimates by any of the responsible parties that shows the net cost of Social Security rising as a result of covering federal workers. Wishing that the numbers showed such a cost increase, or merely saying it, does not make it so. In actuality, the estimates by the Social Security actuaries have consistently shown significant short- and long-term savings for other payroll taxpayers if federal workers are covered under Social Security.

Federal workers have borne the brunt of some reprehensible political rhetoric in recent years. They now feel they are being singled out to bear an unjust share of a budget-balancing exercise.

One of the reasons they are being singled out on the pension side is that they stand alone in many regards. They do not participate in Social Security, although three-fourths ultimately get benefits. They receive better cost-of-living allowances than most retirees. Finally, they are perceived to retire earlier than most workers. Whether it is right or wrong, there is a broad perception that CSRS provides much more generous protection to federal workers than is available to taxpayers who bear most of the CSRS cost.

This perception has led to proposals in the 1984 budget that would raise the CSRS contribution from 7 percent to 11 percent of salary by 1985, an increase of 57 percent. Workers reaching retirement eligibility at age 55 after 1984 would only get half the benefits now provided by CSRS and would have to work until age 65 to get full benefits. By comparison, the national commission recommendations on raising Social Security taxes would only increase program revenues by about 4 percent between 1983 and 1989. Their recommendations for delaying the 1983 COLA and taxing benefits amounts to about 4 percent of projected cash benefits over the period.

If federal workers were participating in Social Security, they would be subject to the same changes that were being discussed for the rest of society for their basic retirement program costs and benefits. If they had a supplemental retirement program that compared with those provided by other large employers, they could get much greater public sympathy and support against arbitrary changes in their own retirement programs.

Even with carefully worded statements and supporting analyses, federal workers and retirees have a difficult case to make to the general public. Attempting to confuse the Social Security policy discussion or to destroy the compromise package through partial or misleading analyses of federal pension costs will not help their cause, their credibility, or their standing with the public.●

TRIBUTE TO A DEDICATED LEADER WILLIAM B. HOPKINS

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1983

● Mr. LENT. Mr. Speaker, I rise to bring to the attention of my colleagues a signal honor being accorded to a distinguished resident of Long Island, N.Y. I refer to William B. Hopkins, of Dix Hills, N.Y., an outstanding business and civic leader, known throughout Long Island for his selfless efforts on behalf of his community.

In the world of business, Bill Hopkins has distinguished himself as president of Roosevelt Raceway, and in a number of offices in the Long Island Association of Commerce & Industry.

However, Bill is not the type of man to confine his activities to the world of business. His interests and activities in community affairs have been numerous and outstanding. But nowhere has he given of his time and energy more unstintingly than as an advocate for and leader of the Long Island Committee for Soviet Jewry, to support and assist the thousands of Soviet Jews seeking the freedom to practice their religion in the country of their choice.

As a Member of Congress who has worked closely with the Long Island Committee for Soviet Jewry to challenge the oppression and persecution to which the courageous Soviet Jews are being subjected, I am well acquainted with Bill Hopkins' outstanding efforts in this vital human rights cause. I know of his personal dedication and devotion to the work of the committee. I know of his strong leadership in organizing support for the committee and for the many-faceted efforts it undertakes on behalf of Soviet Jews seeking freedom.

I am particularly pleased, therefore, to inform my colleagues that my good friend Bill Hopkins is being awarded a signal honor by the Long Island committee at its annual Freedom Dinner to be held this coming Sunday, March 13, 1983. In recognition of his selfless efforts in support of the human rights cause, the Long Island Committee for Soviet Jewry is honoring him with the 1983 Freedom Award.

Certainly, no one has done more to deserve this honor than Bill Hopkins. I know that my colleagues in the House of Representatives join me in offering our congratulations and commendation to Bill Hopkins for his outstanding leadership in efforts to gain freedom for persecuted Soviet Jews, and to offer our best wishes for his future work in support of the cause of Soviet Jewry.●

THE EMERGENCY COMMODITY DISTRIBUTION ACT OF 1983

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 9, 1983

● Mr. BIAGGI. Mr. Speaker, on February 17, I introduced the Emergency Commodity Distribution Act of 1983 along with my colleagues CARL PERKINS, WILLIAM FORD, and GEORGE MILLER of the House Education and Labor Committee. I believe that H.R. 1535 represents a humane and well-thought out response to the pressing need before us to distribute surplus USDA commodities to the hungry, the needy, and the elderly of this Nation.

The Emergency Commodity Distribution Act of 1983 requires the Secretary of Agriculture to distribute warehoused commodities to eligible organizations which assist the needy as well as existing child and elderly feeding programs. Right now, the Secretary of Agriculture is sitting on hundreds of millions of pounds of these foodstuffs—including dairy, wheat, and honey. Despite the pleas of Congress and organizations involved in donating food to the hungry, the Secretary has chosen to ignore our requests to expand the current cheese giveaway program to other useable food items.

The House Education and Labor Committee, where I am the senior New York member, has conducted two hearings on the commodity distribution issue and our response to the testimony presented before us was H.R. 1513, which represents a refinement of similar legislation I introduced earlier this year, H.R. 1162. This bill, H.R. 1513, sets up no new bureaucracy but instead, uses existing transportation, storage, and distribution routes to get out the food to the people.

I commend our colleagues on the Appropriations Committee who included $50 million in the jobs bill, H.R. 1718, and passed by the House last week, for the distribution of emergency food and shelter. These funds would be appropriated by a national board, comprised of representatives of volunteer organizations. While I am supportive of providing funds to such organizations at the local level, I do not believe that this legislation will address the total commodity problem—that being insuring that the Secretary, in fact, does expand the list of available surplus commodities to those who can use them, and does, in fact, distribute them without charge or credit to States.

For the benefit of my colleagues, I am inserting into the RECORD a copy of H.R. 1513 as well as an analysis of its provisions. I commend the work of all our colleagues in the House that are